Production of sugar

174. SHRI K.E. ISMAIL: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the production of sugar in the current sugar season has declined from 26.3 million tonnes to about 15 million tonnes;

(b) if so, the details thereof; and

(c) the measures taken to meet the shortage and control the price of sugar in the country?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) and (b) The production of sugar in the last sugar season 2008-09 is provisionally estimated at about 14.7 million tons. Thus, production of sugar in the last sugar season is estimated to have declined from 26.3 million tons in 2007-08 sugar season to about 14.7 million tons in 2008-09 sugar season.

(c) The Central Government has taken a slew of measures to meet the shortage and control the prices of sugar in the country is given in the enclosed Statement.

Statement

Measures taken by the Central Government to augment domestic stocks of sugar and to contain sugar prices

- Allowed import of raw sugar under Advance Authorization Scheme by sugar mills at zero duty upto 30.09.2009.
- Allowed import of raw sugar at zero duty under O.G.L. upto 01.08.2009 by sugar mills, later extended upto 31.03.2010. This has now been further extended upto 31.12.2010 *vide* notification dated 11.11.2009.
- Import of raw sugar was opened to private trade upto 31.03.2010 for being processed by domestic factories on job basis. This has now been further extended upto 31.12.2010 *vide* notification dated 11.11.2009.
- Allowed duty free import of white/refined sugar by STC/MMTC/PEC and NAFED upto 1 million tons by 01.08.2009 which was extended upto 30.11.2009. Further, duty tree import of white/refined sugar under OGL has also been opened to other Central/State Government agencies and to private trade in addition to existing designated agencies, upto 30.11.2009. This has now been extended upto 31.3.2010 *vide* notification dated 11.11.2009.
- Levy obligation has been removed in respect of all imported raw sugar and white/refined sugar. The white/refined sugar has been also allowed to be sold at the discretion of the importing organizations, but sugar processed from imported raw sugar is subject to accelerated releases.

- The levy obligation on sugar factories has been enhanced from 10% to 20% of production *w.e.f.* 01.10.2009 for 2009-10 sugar season only, *vide* notification dated 7th October, 2009.

1.1 Besides augmenting the sugar stocks by permitting import of raw and white/refined sugar in 2008-09 sugar season, the Central Government has imposed stock holding and turnover limits to moderate prices of sugar as follows:

– Stock-holding and turnover limits on sugar dealers *vide* notification dated 12,03.2009 for a period of four months, and thereafter for another period of six months *i.e.* upto 08.01.2010 *vide* the notification dated 16.7.2009. Further, Khandsari sugar has now been brought under the ambit of stockholding and turnover limit.

– An order has been issued *vide* notification dated 22.08.2009 imposing stockholding limit on large consumers of sugar who are using or consuming more than ten quintals of sugar per month as a raw material for production or consumption or use, stipulating that such bulk consumers shall not hold sugar stock exceeding fifteen days of their requirement. The notification has come into effect from 19.9.2009.

– Futures trade in sugar has been suspended in domestic exchanges *w.e.f.* 27.5.2009 till the end of 2009.

Rotting imported pulses

175. SHRI RAJKUMAR DHOOT: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that several lakh tonnes of imported pulses remained stocked at Kolkata and other ports in July, 2009 when prices of pulses soared due to their shortage;

(b) if so, the details thereof;

(c) the quantity of pulses rotten in this process and became unfit for human consumption;

(d) whether the matter has been enquired into to find out whether this was a deliberate act and conspiracy to create shortage and increase prices of pulses in the market; and

(e) the steps taken to prevent recurrence of such incidents?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) and (b) No, Sir; The 4 PSUs such as NAFED, PEC, STC and MMTC are authorized to import pulses. Accordingly, the facts in this regard as reported by the 4 PSUs are as follows:-

i) NAFED reported that as on 31.7.2009, 5979 MTs of Yellow peas was stocked at Kolkata Port Trust. The above stock was stored at Kolkata Port Trust due to the delay in clearance from health authorities.